



CITY OF SCOTTSDALE
McDOWELL ROAD/SOUTH SCOTTSDALE ECONOMIC DEVELOPMENT
TASK FORCE MEETING
APPROVED MINUTES

THURSDAY, JANUARY 14, 2010

ASU SkySong
Convergence Conference Room, #129
1475 N. Scottsdale Rd.

PRESENT:

Tom Sadvary, Chairman
Kurt Bruechner, Vice Chairman (arrived 8:30 a.m.)
Ed Gawf
Jeremiah Foster
Tom Mason
Virginia Korte
Jay Petkunas
Eric Larson
Jim Atkinson
Paul Messinger
Todd Hardy
George Adams
Michael Fernandez (left at 10:15 a.m.)
Wendy Lyons
Sonnie Kirtley

STAFF:

Rob Millar
Mark Hunsberger
Erin Perrault
Ross Cromarty
Greg Bestgen
Taylor Reynolds
Christy Hill
Kelly Ward
Raun Keagy

OTHER:

Kit Weiss, Facilitator

CALL TO ORDER

Chairman Sadvary called the meeting to order at 8:15 a.m.
He thanked staff for bringing refreshments and the Task Force members for responding to the survey.

ROLL CALL

A formal roll call confirmed the presence of all Task Force members.

1. Approval of January 7, 2010 Summarized Minutes

Eric Larson noted that on page eight he and Virginia Korte were in favor of the motion.

ERIC LARSON MOVED TO APPROVE THE MINUTES OF THE JANUARY 7, 2010 MEETING. PAUL MESSINGER SECONDED THE MOTION, WHICH CARRIED BY A VOTE OF FOURTEEN (14) TO ZERO (0). VICE CHAIRMAN BRUECHNER ARRIVED LATER.

2. Task Force City Council Report Items

Noting that everyone had a chance to review the vision statement drafted by City staff and the survey results, Chairman Sadvary said that when Ed Gawf went through the survey he drafted a fuller document about what he would like based on feedback he has received. At his request, Mr. Gawf distributed copies of his work to the meeting for review.

Ed Gawf said it was hard to answer yes or no to many of the survey questions. Instead, he wrote this document, which is primarily his own thoughts with some input from other people. He started out with the map because he thinks visually as a planner. At Chairman Sadvary's request, the Task Force members paused to review the document

The vision statement staff drafted came out of the work of the Southern Character Area Community Plan. Staff wants to know if they felt that was relevant to the work of the Task Force. If not the Task Force could draft their own vision statement, either before or after going through the survey results. The consensus was to start with the survey. Kit Weiss said they would see where clear consensus exists and then pull out the items from the "parking lot." She noted that two surveys came in after staff compiled the findings, and they can be looked at also.

Question 5 is "Do you support exploring regional partnerships?" Twelve people said they do, which is clear consensus. Partnerships with Papago Park and the Salt River Pima/Maricopa Indian Community were supported. The indication for partnership on the Discovery Triangle was not as strong.

SONNIE KIRTLEY MOVED THAT THE TASK FORCE IDENTIFY PAPAGO PARK REGIONAL PLANNING AND SALT RIVER PIMA/MARICOPA INDIAN

Approved

**COMMUNITY AS GROUPS THEY WOULD WANT TO PARTNER WITH.
MICHAEL FERNANDEZ SECONDED THE MOTION.**

Saying that her name is clearly on the Discovery Triangle and she supports participation in it, Virginia Korte said she would like to discuss that. Listening to what is going on there is critical to south Scottsdale. Wendy Lyons said she supports the Discovery Triangle. They should not limit themselves. She feels strongly that they need to look at every option that comes their way and make appropriate decisions. Ruling it out does not make sense to her. Eric Larson said they should continue to at least monitor what is happening with the Discovery Triangle. Actions outside of the City borders could have an impact on the Discovery Triangle.

ERIC LARSON OFFERED AN AMENDED MOTION ADDING THE DISCOVERY TRIANGLE AS A THIRD PARTNERSHIP TO BE CONSIDERED.

Chairman Sadvary noted that the survey language "Do you support exploring regional partnerships in area revitalization efforts?" is a little stronger than what Eric Larson was suggesting. He noted that six Task Force members were in favor of this. Kit Weiss explained that support for partnerships with Papago Park and Salt River Pima/Maricopa Indian Community was stronger. Chairman Sadvary suggested starting with Sonnie Kirtley's motion as it stands, since there is clear consensus for those two groups.

THE MOTION TO IDENTIFY PAPAGO PARK REGIONAL PLANNING AND SALT RIVER PIMA/MARICOPA INDIAN COMMUNITY AS GROUPS THE TASK FORCE WOULD WANT TO PARTNER WITH PASSED BY A UNANIMOUS VOTE OF FOURTEEN (14) TO ZERO (0). VICE CHAIRMAN BRUECHNER ARRIVED LATER.

ERIC LARSON MOVED TO ADD DISCOVERY TRIANGLE AS AN ELEMENT THEY WOULD CONTINUE TO SUPPORT. VIRGINIA KORTE SECONDED THE MOTION. THE MOTION FAILED BY A VOTE OF FIVE (5) TO NINE (9). VICE CHAIRMAN BRUECHNER ARRIVED LATER.

Ed Gawf said the vision targeted under his number 4 was trying to capture 5. He was trying to say how they would support or use the regional partnership. To have an action statement they need to indicate what support means for each partnership. Chairman Sadvary recalled this was discussed briefly at the previous meeting. He directed Rob Millar to incorporate as many of the "hows" as possible in the draft report. The Task Force is trying to give useful guidance to City Council and staff going forward.

Question 6 was "Do you want a cost-benefit analysis done on recommendations that are to be approved?" The majority, at least 13 agreed with that question.

SONNIE KIRTLLEY MADE A MOTION THAT A COST-BENEFIT ANALYSIS BE PERFORMED ON ANY RECOMMENDATION BEFORE IT IS APPROVED.

Approved

JAY PETKUNAS SECONDED THE MOTION. THE MOTION CARRIED BY A VOTE OF FOURTEEN (14) TO ONE (1). ERIC LARSON DISSENTED.

Kit Weiss read the next question, "Should the Task Force recommend that existing and future infrastructure continue to be evaluated to accommodate revitalization?" Twelve individuals said yes.

The next question was "Who should pay for it?" Two Task Force members said developers. Two indicated City funding. Ten said there should be a combination of public and private partnerships to fund infrastructure work in the area.

Jay Petkunas told Kit Weiss he had not read option C as independent of options A and B. He clarified that he voted for each of the options under the impression that they were different.

VICE CHAIRMAN BRUECHNER MOVED THAT THE TASK FORCE RECOMMEND THAT EXISTING AND FUTURE INFRASTRUCTURE SHOULD CONTINUE TO BE EVALUATED TO ACCOMMODATE REVITALIZATION, AND THAT INFRASTRUCTURE SHOULD BE FUNDED BY A COMBINATION OF PUBLIC/PRIVATE PARTNERSHIPS. VIRGINIA KORTE SECONDED THE MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF FIFTEEN (15) TO ZERO (0).

Kit Weiss said the next question dealt with the concepts and proposals they have heard from people who have made presentations, and which of these should be investigated and considered more thoroughly. Six people selected option C, and seven chose option D, the hotel and resort at 64th Street and McDowell. Seven Task Force members chose the Canalscape. The relocation of McDowell Road at Papago Park to accommodate an amphitheater was supported by seven. The multi-purpose event center next to SkySong was supported by nine of the Task Force, which was the strongest positive response, with D, F and I as a possibility.

Tom Mason said he had voted "none" and asked whether he could vote for option D. Kit Weiss summarized there is pretty clear consensus on options C, D, F, I, and J and possibly K.

JAY PETKUNAS MOVED TO ACCEPT OPTIONS C, D F, I, J, AND K, PRIORITIZED BASED ON THE NUMBER OF VOTES SUPPORTING EACH OPTION. VICE CHAIRMAN BRUECHNER SECONDED THE MOTION.

Speaking as a property owner, Michael Fernandez found it extremely insulting that the Task Force could tell someone who they need to be with. It is not the City's place to tell people what to do. Chairman Sadvary point out that the question says "Which of the concepts presented to the Task Force should be investigated more thoroughly?" Mr. Fernandez argued that the Task Force is there to promote live/work/play, not to investigate concepts. That is up to property owners and those who are doing developments.

Virginia Korte requested discussion about option H, annexation of the northern portion of Papago Park in the context of live/work/play. She believes that incorporating Papago Park into the City would be of great value.

Kit Weiss pointed out there is a motion with a second on the floor. The Task Force could vote on it or amend it. Chairman Sadvary said his preference is to call for the question on the current motion and have a separate discussion about annexation of Papago Park.

THE MOTION CARRIED BY A VOTE OF THIRTEEN (13) TO TWO (2). ED GAWF AND MICHAEL FERNANDEZ DISSENTED.

Chairman Sadvary inquired whether it would be possible to develop the amphitheater without annexing the northern portion of Papago Park. Ross Cromarty said the idea is to move the roadway to allow development of the amphitheater. He believed it would be preferable to annex the northern portion of the park but would not absolutely be required.

VIRGINIA KORTE MADE A MOTION TO INCLUDE OPTION H, ANNEXATION OF THE NORTHERN PORTION OF PAPAGO PARK IN THE PROPOSALS PRESENTED TO CITY COUNCIL. WENDY LYONS SECONDED THE MOTION.

Tom Mason said if they annex Papago Park that would impact Option D with respect to private land. Ed Gawf recalled that they discussed this last week. He does not see the benefit of annexing the northern portion of Papago Park. The disadvantage would be that the City would have to maintain it. If the real issue is the relocation of McDowell Road, he feels that is not a good idea. He is weighing the cost versus the benefits. They must decide how best to focus the City's resources.

Vice Chairman Bruechner pointed out that these are just items to be investigated more thoroughly.

Todd Hardy asked staff to briefly outline the benefits of annexation. Rob Millar said the benefit was creating a southern preserve. He acknowledged that the City would be responsible for the costs of maintaining it. Ed Gawf said the park is already there. Mr. Millar replied that it belongs to the City of Phoenix. Erin Perrault added that annexation would make Scottsdale a landholder in Papago Park. Scottsdale participates in some of the decisions regarding the park, but not being a landholder puts them at somewhat of a disadvantage in those conversations.

THE MOTION CARRIED BY A VOTE OF EIGHT (8) TO SEVEN (7).

Chairman Sadvary said the prioritization will be based on the voting. Kit Weiss said staff could do the ranking based on what Task Force members put on the survey. Chairman Sadvary said after the Task Force revisits this they can maybe write a few sentences for the staff to explain their reasoning.

Approved

The next question dealt with transit options. Kit Weiss said there seemed to be clear consensus on flexible route transit only (i.e. buses and trolleys), chosen by 10 Task Force members. Six people chose Option A and seven chose Option C.

For clarification, Ed Gawf asked whether they were talking about McDowell Road or Scottsdale Road. This makes a difference because the MAG plan identifies Scottsdale Road as a major transit corridor. He is not sure of the status of McDowell Road. To his knowledge consideration has not been given to fixed route transit on McDowell Road.

Chairman Sadvary requested a brief staff review of options A, B, and C. Rob Millar said they do not believe that the McDowell corridor is included in the MAG plans. Chairman Sadvary asked what bus rapid transit is. Staff agreed that bus rapid transit only applies to Scottsdale Road. It is an express route, sometimes with a dedicated lane separated by barriers. Some Task Force members commented that this configuration does not exist anywhere in metro Phoenix. Jeremiah Foster clarified that in the context of this discussion dedicated lanes would not apply. Ed Gawf commented that the MAG plan does not identify technology, merely stating that Scottsdale Road would be a high-density transit corridor. Michael Fernandez recalled it was identified as bus rapid transit by 2014 in the MAG plan.

For the purposes of the vote, Vice Chairman Bruechner requested an explanation of the distinction between option A and option B. Rob Millar said his understanding is the B is more the community trolley route system, which is controlled by the City, whereas A is more regional. Vice Chairman Bruechner said they should ensure that a person reading the report would understand the distinction.

Ed Gawf said it is also important to talk about Scottsdale Road. There might be one technology up to McDowell and another technology north of that intersection. He is willing to explore a fixed route, not necessarily light rail, north to McDowell Road. North of McDowell it would be more restrictive and the community would be consulted, which is already Council policy. The intersection of McDowell and Scottsdale Road is a major focal point and it would be appropriate to have fixed route transit south of there. The motion might reflect this approach. Eric Larson said they would be doing themselves a disservice to limit any potential option that would connect southern Scottsdale to the region.

ERIC LARSON MOVED THAT THE TASK FORCE RECOMMEND THAT NO OPTIONS BE DISCARDED AT THIS TIME, AND THAT THEY SUPPORT THE FUTURE CONSIDERATION OF ALL OF THESE ALTERNATIVES, A, B, AND C. VIRGINIA KORTE SECONDED THE MOTION.

Paul Messinger expressed concern that if the railroad is brought to McDowell, soon it would be extended to Thomas and then eventually they would lose Scottsdale Road. Tom Mason pointed out what happened in Phoenix with the light rail. Construction was devastating to businesses. Today Phoenix has had to cut rail service back. There is no ridership to justify frequent service between

Approved

ASU and downtown Phoenix, which is subsidized. He does not see any desire for a fixed rail system. He opined that the Task Force should be looking at Option B, flexible route transit. He told everyone they need to get a grip on reality.

Sonnie Kirtley clarified that the transportation report designates Scottsdale Road from the Tempe border to Shea Boulevard as a high-density transit corridor. Paul Messenger's comments are appropriate. Virginia Korte said she asked the Task Force to look at this issue with greater vision over a longer time span. They are not looking at something that will affect this generation. The younger generation are looking for a live/work/play no-car option lifestyle. She urged them to at least keep the gates open to community dialog. With some vision, they can move forward and support the dialog. This will not have to be a voter-approved issue. To revitalize this area they need to keep all the ideas and opportunities open. Chairman Sadvary said that he looked at this from both a short and long-term perspective. Light rail is many years away, if it ever happens. In the meantime, it takes all day to travel by bus from downtown Chandler to Scottsdale. He would not rule out any option long-term. In the short term, he voted for Option B because that could be most expedited. His understanding of the Transportation Plan is that not a lot of effort is being made to expand arterial streets, including McDowell Road. In the long term he feels they should look at all possible options, but they should focus on the short-term Option B to deal with the issue facing them now.

Tom Mason agreed that looking at flexible ground transit is feasible, whether or not it is needed today. He felt that the charge of the Task Force was to come with more pointed answers. They need to focus on how they are answering the questions.

Eric Larson repeated his motion.

Ed Gawf said he cannot support this motion because it is too broad. It is telling that the Transportation Plan has designated Scottsdale Road as a high-density transit corridor all the way to Shea Boulevard. He would substitute what he wrote under number four, area infrastructure, to try to be more definitive on the issue. He believes that Scottsdale Road north to McDowell is an important transit corridor and they need to recognize that.

George Adams reminded the Task Force that their charge states that City Council has asked the Task Force to look at ways to market the area of study and bolster economic activity in the area. He cautioned that if they get too broad it will be too difficult to choose any particular solution. Council knows that all of these options are available. If the Task Force says that all the options merit investigation, they have really not said anything. The more specific they can be, the more likely they are to have something approved and actionable.

Virginia Korte suggested that they discuss the white elephant in the room. This is the hottest issue the Task Force is dealing with. Even discussion about fixed transit is a hot issue for the community. They should not close the door to fixed

transit. She added that broadness is the only way they will reach consensus on this issue.

Todd Hardy said without thinking about a specific solution or technology they need to encourage general open-minded thought about how to bring people in and out of this area effectively without increased parking and traffic problems. They could maybe add a caveat that the Task Force is not interested in transit solutions that extend beyond this particular area.

Saying that he does not want to belabor this issue, Tom Mason commented that when Los Arcos mall was active, this was a major thoroughfare. There were car dealerships in the area and no freeway. At that time there was never a problem. Erin Perrault suggested that staff can bring back more detail from the Transportation Master Plan to add to the report.

Vice Chairman Bruechner said some people want no light rail, others would accept it as far north as McDowell Road, so it is hard to say yea or nay to light rail without having some boundaries. Being mindful of George Adams' remarks, Chairman Sadvary told staff it would be helpful to City Council if the narrative of the report specified more direction or suggestions. He suggested putting discussion of light rail in the "parking lot." The narrative could give more focus to the reasoning of the Task Force. Kit Weiss said that was a good idea. She noted that a discussion of the boundaries is in the "parking lot" and will be dealt with after they finish with the survey. That discussion might clarify the other discussion about transit considerations.

Paul Messinger expressed concern that in almost every city that has built rail transit, quality has moved away. He fears that light rail will cause quality to move away and industrialization will move in. To invite it into the community is a mistake.

CHAIRMAN SADVARY CALLED FOR THE QUESTION. ERIC LARSON RESTATED HIS MOTION THAT THE TASK FORCE RECOMMEND THAT NO OPTIONS BE DISCARDED AT THIS TIME, AND THAT THEY SUPPORT THE FUTURE CONSIDERATION OF ALL OF THESE ALTERNATIVES, A, B, AND C. VIRGINIA KORTE SECONDED THE MOTION. THE MOTION FAILED BY A VOTE OF SEVEN (7) TO EIGHT (8).

ED GAWF MOVED THAT THE TASK FORCE CONTINUE TO DEVELOP THE STRONGEST POSSIBLE TRANSIT CORRIDOR BETWEEN DOWNTOWN TEMPE AND DOWNTOWN SCOTTSDALE, WITH A MAJOR STOP AT THE SKYSONG NODE. ANY LIGHT RAIL THAT MAY BE PROPOSED ALONG SCOTTSDALE ROAD NORTH OF MCDOWELL ROAD SHOULD REQUIRE APPROVAL BY A VOTE OF THE COMMUNITY.

Ed Gawf remarked he recognizes that is already Council policy; he was just trying to reinforce that. He reiterated that for him the issue is what is done north of McDowell Road. He stressed that the motion does not say "light rail," but "the strongest possible transit corridor."

Approved

CHAIRMAN SADVARY SECONDED THE MOTION.

In reply to a question from Todd Hardy, Ed Gawf said he feels that bus transit will be the solution for McDowell Road, since it is a secondary road. His vision is that Scottsdale Road is the major opportunity corridor and McDowell Road complements or supports Scottsdale Road. The intersection is the midpoint between Downtown Scottsdale and downtown Tempe.

Michael Fernandez pointed out that the MAG plan for bus rapid transit has been in place for two years with the approval of the City, and this is the transit solution. Ed Gawf said that is why his motion does not specify any particular technology. He is interested in whatever works to make the strongest transit connection. He summarized that studies on costs and benefits, environmental impacts, and ridership will be done before any Federal money is spent. His focus is on the planning concept that Scottsdale Road should be a strong transit corridor. After discussion, Mr. Gawf amended his motion.

ED GAWF AMENDED HIS MOTION BY REMOVING THE LAST SENTENCE. HE MOVED THAT THE TASK FORCE CONTINUE TO DEVELOP THE STRONGEST POSSIBLE TRANSIT CORRIDOR BETWEEN DOWNTOWN TEMPE AND DOWNTOWN SCOTTSDALE, WITH A MAJOR STOP AT THE SKYSONG NODE. CHAIRMAN SADVARY SECONDED THE AMENDED MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF FIFTEEN (15) TO ZERO (0).

Noting that the next question deals with recommending a cost-benefit analysis on transit options, Kit Weiss said that Federal guidelines would require this in any case. Eleven Task Force members had agreed that a cost-benefit analysis should be done. Ed Gawf cautioned that making obvious recommendations in the report will lessen the quality of their other recommendations. Chairman Sadvary said he had voted against that for that reason.

JAY PETKUNAS MOVED THAT QUESTION FOUR BE REMOVED FROM THE LIST. SECONDED BY VICE CHAIRMAN BRUECHNER, THE MOTION CARRIED BY A UNANIMOUS VOTE OF FIFTEEN (15) TO ZERO (0).

Kit Weiss addressed the next question regarding City efforts to promote redevelopment and attract and retain business. She noted consensus that areas A, B, C, D, and E are all areas they need to consider. Sonnie Kirtley was concerned about the inclusion in D of subsidies. Tom Mason asked staff about C where "PUD tailored to this area" is mentioned. Erin Perrault said the PUD is Citywide except for Downtown and the ESLO area. Staff is asking whether the Task Force wants to tailor a PUD specific to the McDowell corridor, which would have to be approved by City Council.

Sonnie Kirtley said that the existing PUD covers lots from half an acre to 15 acres, and opined that it is already tailored to this area.

SONNIE KIRTLEY MOVED THAT THE CITY SHOULD BE PROACTIVE IN STIMULATING REVITALIZATION, WHICH WOULD BE A, B, C, WITH THE

Approved

WORDS “TAILORED TO THIS AREA” DELETED FROM C; D, WITH THE WORD “SUBSIDY” DELETED; AND E. MICHAEL FERNANDEZ SECONDED THE MOTION.

Virginia Korte noted that the report on the recent marketing study on McDowell points out several weaknesses in the current PUD as it relates to this area. There is a need to tailor a PUD for this area. For example, the setbacks and parking requirements do not work for this area. In reply to an inquiry, Erin Perrault said the PUD was instituted about nine months ago.

Ed Gawf suggested deleting “for example, expedited permitting” from the motion. The problem with expedited permitting is that someone else has to wait longer. What the Task Force really wants is fair, efficient, correct permitting for everyone. Secondly, he would support deleting the PUD section. He would substitute “zoning ordinance changes,” because a combination of zoning changes rather than a PUD might be needed. Part of the problem with the PUD ordinance is that it is a lengthy process with onerous requirements. It is very expensive to go through, so not affordable for small parcels. He concluded that there may be a better way of amending the zoning code to achieve what they are trying to achieve. Paul Messinger echoed Mr. Gawf’s remarks. He would like to be sure that the City does not continue to provide subsidies, which is detrimental to many businesses. He has no objection to special areas. Rob Millar explained that from the economic development standpoint sometimes two businesses may be considering relocating into the community. They may be equal except for their timing. In some cases, it is appropriate to encourage businesses by expediting permitting. Businesses may be looking at other communities as well and the speed of permitting is a factor in their decision. Mr. Gawf said he has no problem with expedited permitting on a case-by-case basis. He does not agree that every project in a specified area should receive expedited permitting. Expedited reviews should be overtime, because otherwise the City is playing favorites. Mr. Millar said expedited permitting fees were available for Downtown and received positive feedback.

Jeremiah Foster said in his experience, Scottsdale has a horrible reputation of how the City works in terms of development opportunities. They need to improve customer service to would-be developers, whether through expedited permitting, or making the zoning code more developer-friendly. He cautioned that if they limit their suggestions the Task Force will be doing themselves a disservice. Chairman Sadvary asked staff whether these points could be clarified in the narrative. Mr. Millar said that they would definitely want to have clarity on expedited permitting fees. Ed Gawf said the timeline of the planning process is a greater issue. The building permitting process moves smoothly. He would rather expedite the planning process, while retaining public notification, but have a very clear timeline for planning review.

SONNIE KIRTLEY AMENDED THE MOTION AS FOLLOWS: THE SHOULD CITY BE PROACTIVE IN STIMULATING REVITALIZATION. THIS INCLUDES A AND B AS WRITTEN; C TO READ “PROCESS IMPROVEMENTS, EXPEDITED PLANNING PROCESS, AND REGULATORY CHANGES, E.G. ZONING ORDINANCE CHANGE”; D, INCENTIVES, REBATES, DELETING

Approved

THE WORK “SUBSIDIES;” AND E AS IT STANDS, “PUBLIC INVESTMENT IN INFRASTRUCTURE FOR PROJECTS.” CHAIRMAN SADVARY SECONDED THE MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF FIFTEEN (15) TO ZERO (0).

Kit Weiss said the next question is about funding development projects. She noted that C had a clear consensus that an industrial development authority should be formed. F also had consensus, that a community development corporation be formed. None of the other choices achieved consensus.

CHAIRMAN SADVARY MOVED THAT THE TASK FORCE APPROVE ITEMS TWO THROUGH SEVEN UNDER CITY EFFORTS IN ED GAWF’S DOCUMENT. JAY PETKUNAS SECONDED THE MOTION.

Eric Larson questioned whether the Chair is allowed to make a motion. Kelly Ward of the City Attorney’s Office clarified that Robert’s Rules allow the Chair to make a motion only if there are no objections.

JAY PETKUNAS MOVED THAT THE TASK FORCE APPROVE ITEMS TWO THROUGH SEVEN UNDER CITY EFFORTS IN ED GAWF’S DOCUMENT. ERIC LARSON SECONDED THE MOTION.

Jeremiah Foster said he does not agree with number seven. He feels it makes no sense to continually add more money to keep car dealerships in the area. Kit Weiss pointed out that according to the surveys received there was consensus on that question. Ed Gawf explained that seven is a recommendation that the City should continue to try to retain the car dealerships for as long as possible because they contribute \$6 million in sales tax annually. Mr. Foster said the dealerships should not be forced out, but does not believe in creating marketing budgets to retain them. This area is no longer Motor Mile. Virginia Korte said realistically there is nothing the City can do to retain the dealerships. She does not agree on spending resources to try and retain them.

Kit Weiss displayed question seven to show the individual votes. She noted that as they read it there were a number of people that supported seven. Todd Hardy pointed out that the original question was about funding development. The options are a grab bag of zoning, building height, density, and other issues. Some very specific recommendations are included and it might be better to break the motion into smaller portions.

Chairman Sadvary opined it is better to err on the side of being too specific in their recommendations to City Council. Last week he felt the recommendations were much too general to be useful. This week he feels that the specific recommendations will be much more beneficial to Council. He invited Ed Gawf to elaborate. Mr. Gawf explained that the point of number two was not to have direct subsidies. Community facilities district did not achieve consensus in the survey. This is for property owners only; they would have to vote for it, it would not be imposed by the City. He cited the examples of Waterfront and DC Ranch. It is a way of amortizing infrastructure costs through bonding. His suggestion number three is for an oversight committee, perhaps a Council sub-committee.

Approved

As for zoning ordinance changes, his concept is that the intersection of McDowell and Scottsdale Road is the core. All four properties are included. The lines are not intended to be hard and fast; he quipped that he can only draw straight lines. This looks at allowing a maximum height of 60 to 70 feet, which is higher than currently allowed in C-2 zoning. He sees this as a high-density family corridor residential area, primarily because it is close to the Botanical Gardens and Papago Park. Allowing 48 feet instead of the current 35 feet is an attempt to provide some incentive for multiple family development. The employment core is anchored by General Dynamics. The Scottsdale Community College announcement works in nicely with that employment corridor. He recommends allowing greater height there to accommodate semi-industrial uses. The Scottsdale Road corridor would have a little greater density. The remainder of the area would continue to have a height limit of 35 feet. FAR would move from 0.8 to 2.0. He outlined the concept of FAR and added that parking is probably a greater factor than FAR. He is recommending higher residential density than in the rest of the City. He told the Task Force that the only way to recognize Scottsdale Road as a transit corridor is to reduce parking requirements, which in his opinion is a very significant bonus. He believes an overlay is appropriate because there is not just one concept for the entire McDowell corridor. He reiterated that the high density residential, the focal core and the employment core are not intended to be zoning uses, but rather themes or approaches. His final point is to provide an incentive for small parcels, but allow flexibility for all parcels.

Tom Mason said that Ed Gawf is largely responsible for the positive changes to Downtown Scottsdale over the last ten years. Jeremiah Foster agreed, but added that while he sees the point and agrees on the concept of themes, he would suggest they not get involved in zoning, because there might be other good scenarios that would be precluded because of the Task Force recommendations. Kit Weiss noted that the motion does not include mention of Mr. Gawf's map and assured the Task Force that they will have a boundary discussion. Mr. Foster said he likes the guidelines. Ms. Weiss pointed out that on the funding structure, the survey responses indicated consensus on the community development corporation, and asked whether they wanted to insert that into the motion. Referring to the experience of Denver and San Diego, Mr. Foster said this might be one way where the City would not have to incur costs that would allow a group such as the Task Force to exist in a more permanent role to help with redevelopment. He would push to have something like that included, as currently there is no such group within the City.

Michael Fernandez noted that with greater density they must specify who will be responsible for the sewers. He felt that developers should be responsible for the upgrades. Under infrastructure, number one, Ed Gawf's comment was "identify and develop a plan for the existing infrastructure carrying capacity for south Scottsdale and evaluate new development against it." Kit Weiss reminded them that there will be an opportunity to make changes on January 28. Paul Messinger liked the idea of not including the non-profits, otherwise they are loading the costs onto other people. He told Mr. Gawf he liked the specifics he had provided. While the Task Force is not making law, they are giving direction to City Council.

Approved

Todd Hardy asked for direction from staff on the impacts of the suggested zoning changes and density on the City's ability to develop this area. He had not voted on the survey because he wanted more information about the pros and cons. Kelly Ward explained that the redevelopment designation has existed for 10 to 15 years. Originally, there were five redevelopment areas in Scottsdale; the rest were centered around Downtown. Those have all been rescinded. The Los Arcos redevelopment area is the last one remaining. He said this concept is a mixed bag. On the one hand, it shows that cities are willing to act, however the drawback is that the city can use eminent domain to acquire private property. Historically Scottsdale has not used eminent domain; the Arizona Supreme Court is reluctant to allow condemnation and the Council has not been interested in using it. The few times eminent domain was used were all for the expansion of Scottsdale Memorial Hospital. He continued that the limited tools that Arizona provides to redevelopment areas are: the creation of redevelopment advisory boards, different treatment under regulatory rules. Whether to use any of those tools is under Council's control. The City could provide development advantages in particular areas without creating a redevelopment area. Council has chosen to make the development process a little more favorable to properties in a redevelopment area. If the designation is removed, those benefits would be lost, unless Council took some mitigating action. The second tool is the enhanced municipal services district, which is essentially a property tax overlay that can be applied in a certain area to finance activities, such as more frequent cleaning or better landscaping. Mr. Ward explained that a municipal services district can be either inside or outside of a redevelopment area. Money can only be spent on marketing within a redevelopment area. He noted there are also some limited financing tools available to redevelopment areas, although the City has never used them because they are so narrow. He explained that the connection between slum and blight is that historically if Council determined that slum and blight existed, then it could create a redevelopment area.

Vice Chairman Bruechner asked Kelly Ward if it is accurate to say that City Council could still go to the special toolbox to jumpstart the area without calling it a redevelopment area. Mr. Ward responded that the tools he described are available to the McDowell corridor today because it is in a redevelopment area. If Council were to repeal that designation, the tools would no longer be available.

Kelly Ward noted that the potential for property tax abatement in redevelopment areas is of interest. Arizona law is that municipal property is not subject to property taxation. An economic development pattern has emerged over the last several decades whereby a private entity that desires to create a private business in a city deeds its land to the city and leases the land back at a nominal rent to avoid paying property taxes. Feeling that this is too generous a tool, the Legislature enacted Possessory Interest Tax to plug the loophole.

Chairman Sadvary said they need to stay focused. Tom Mason thanked Kelly Ward for his explanation. He commented that as when the redevelopment designation was lifted in the Downtown, businesses seemed to flourish. The designation might scare away potential developers. Ed Gawf commented he is not opposed to redevelopment districts. He has helped develop redevelopment

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plans in Boulder and Palo Alto. However, he said that Scottsdale does not need a redevelopment designation. The Task Force needs to send the message that the McDowell corridor and Scottsdale Road are good corridors. The market can work here. He will vote against the redevelopment area designation. Ms. Weiss said there was no clear consensus indicated by the surveys. Ross Cromarty added that having abatement is a big benefit of a G plan. Mr. Gawf pointed out that the City has rarely, if ever, used this. Mr. Cromarty stressed that unless an area is designated for redevelopment, the City loses the power to abate property taxes.

TOM MASON CALLED FOR THE QUESTION.

JAY PETKUNAS AMENDED HIS MOTION AS FOLLOWS: THAT THE TASK FORCE ADOPT ED GAWF'S LANGUAGE ON ITEMS TWO THROUGH SIX UNDER "CITY EFFORTS TO PROMOTE REVELOPMENT AND TO ATTRACT AND RETAIN BUSINESSES," WITH THE ADJUSTMENT TO INCLUDE CDC AS ITEM D UNDER NUMBER TWO.

Rob Millar requested a discussion of item number four. Erin Perrault clarified that there is land that is currently entitled under the Scottsdale zoning ordinance. Not all of the numbers under four align with those entitlements. She suggested that the Task Force may want to make a statement that they are not trying to take away any current entitlements. Alternatively, staff can clarify this in the report. She added that property owners can ask to utilize the PUD in this area, which permits a height of 45 feet.

JAY PETKUNAS AMENDED THE MOTION TO BE CONSISTENT WITH CURRENT HEIGHT REGULATIONS. PAUL MESSINGER SECONDED THE MOTION.

Ed Gawf asked staff whether PUD violates Proposition 207. His intent was that these numbers replace the numbers that might be in existence today. Erin Perrault responded that she was just cautioning the Task Force to be aware of differing entitlements. If anyone applies for a height of 45 feet under a PUD, Council has to approve that.

THE MOTION CARRIED BY A UNANIMOUS VOTE OF FIFTEEN (15) TO ZERO (0).

ED GAWF MOVED THAT THE CITY OF SCOTTSDALE SHOULD HAVE A SYSTEMATIC PLAN TO RETAIN THE AUTOMOBILE DEALERSHIPS IN THE AREA. THIS DOES NOT ANTICIPATE OR INCLUDE FINANCIAL SUBSIDIES. JEREMIAH FOSTER SECONDED THE MOTION.

Todd Hardy inquired what such a plan would include if there were no financial subsidies. Ed Gawf replied that the City could provide support, helping in the review process in the case of expansion, or help with the sign code. He concluded that the City needs to send a statement that they do value the car dealerships.

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THE MOTION CARRIED BY A VOTE OF TWELVE (12) TO THREE (3).

The meeting took a break from 10:11 to 10:25 a.m.

Kit Weiss told the Task Force that consensus was clearest in the area of neighborhood involvement. Neighborhood involvement is required for any project that may potentially change an area. Question number one was, "Should the structures or controls ensure commercial areas be compatible with adjacent neighborhoods?" and everyone said yes. Question two dealt with neighborhood revitalization strategies and there was consensus that they should do A, B, and C. On question three, there was some suggestion that the Task Force needs to be transitioned into a longer-term effort.

SONNIE KIRTLEY MOVED TO ACCPT THE STATEMENTS IN NUMBERS ONE AND TWO OF NEIGHBORHOOD INVOLVEMENT. JAY PETKUNAS SECONDED THE MOTION.

Ed Gawf suggested amending the motion to include items one through four in his comments. He said that his comment two deals with number two in her motion but add to her motion rather than being separate items.

SONNIE KIRTELY AMENDED HER MOTION TO INCLUDE ITEMS ONE THROUGH FOUR OF ED GAWF'S COMMENTS, SECONDED BY JAY PETKUNAS.

Speaking as someone who just remodeled his south Scottsdale home, Jeremiah Foster asked what the City would be doing to help someone modernize their home. Rob Millar recalled a City housing demonstration project about ten years ago that demonstrated how remodeling could be done that would be compatible with the area yet incorporate modern amenities. He noted Paul Messinger's comments about encouraging people to stay in the area rather than moving out. Raun Keagy, Neighborhood Services Director, told the meeting that the most recent R1-7 revisions have provided an incentive for the redevelopment of houses. Staff reviewed the setbacks to make sure they were not creating a disincentive for people to reinvest in their homes. They aim to make it easier to remodel and enlarge older homes in character with the neighborhoods.

Paul Messinger recalled that they started working on this in the 1960s. He urged that the alleys could be closed off at little expense to the City. Extra housing could be built, which would increase the value of the neighborhood. The alternative is that eventually the housing is so run-down that an entire neighborhood has to be demolished with the associated social costs. He believes they should begin to think about this and start a long-term program of urban renewal.

Jeremiah Foster commented that they need to promote personalities for individual neighborhoods. Neighborhoods could be asked to take ownership and create a personality for themselves. They would gain pride from a City perspective. He added that east of Hayden on Camelback, Osborn, and Oak the

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streets are unnecessarily wide. Could they create promenades to connect to the green belt? Perhaps the Indian School streetscaping could be replicated on Thomas Road.

Chairman Sadvary said that this subject is right to the point of one of the general charges from City Council, which was "as a place to live." He said that Jeremiah Foster's recommendations are excellent and suggested that they vote on the motion on the floor and then either make a motion or incorporate them in the report to City Council. They are excellent feedback to Council.

THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOURTEEN (14) TO ZERO (0).

Jeremiah Foster said the connectivity between communities on the east side of Hayden Road is impacted by the speed of traffic on Hayden. They need to control or slow down traffic on Hayden. Because there is no median on Hayden crossing on foot is hazardous. They need more pedestrian-friendly connections east and west of Hayden Road.

He said that the personalities of individual neighborhoods should be evaluated and defined. They need to identify and brand individual neighborhoods in support of the neighborhood planning process.

Jeremiah Foster pointed out that within the neighborhoods are many elementary and middle schools, with huge yards that could be parks for the community after school hours, instead of being walled off behind chain link fencing.

He reiterated that east of Hayden Road, Camelback, Osborn, and Oak are extremely wide. He suggested that since the on-street parking is underutilized, one lane of on-street parking should be converted to create a promenade or linear park which would connect to the green belt. People could walk to Downtown.

Saying that the improvements on Indian School are great, Jeremiah Foster suggested similar work on Thomas Road.

Tom Mason liked these suggestions, but noted a possible liability issue with the schools if the fences were taken down. Chairman Sadvary said Council can consider the suggestion. Other Task Force members noted that schoolyards at McCormick Ranch and Scottsdale Ranch are already open to neighbors.

Sonnie Kirtley noted that Ed Gawf's map shows an important link for the southern community, the Belleview greenway. Ed Gawf suggested prefacing the motion with a statement to the effect that the McDowell revitalization is dependent upon the retention of strong residential neighborhoods.

ED GAWF MOVED THAT THE TASK FORCE RECOGNIZES THAT MCDOWELL REVITALIZATION IS DEPENDENT ON THE RETENTION OF STRONG ADJACENT RESIDENTIAL NEIGHBORHOODS. SONNIE KIRTLEY

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SECONDED THE MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF FOURTEEN (14) TO ZERO (0).

Chairman Sadvary said that the report will set out Jeremiah Foster's various specific recommendations to strengthen residential neighborhoods.

SONNIE KIRTLEY MADE A MOTION THAT WHEN THIS TASK FORCE HAS PROVIDED ITS VISION AND RECOMMENDATIONS TO CITY COUNCIL AS A FINAL DOCUMENT THAT IT TERMINATE, WITH THE CAVEAT THAT THEY RECOMMEND TO CITY COUNCIL THAT APPROPRIATE EXISTING COMMITTEES WILL CONTINUE THE TASK AS NEEDED. PAUL MESSINGER SECONDED THE MOTION, WHICH CARRIED BY A UNANIMOUS VOTE OF FOURTEEN (14) TO ZERO (0).

Kit Weiss reminded the meeting that the boundary question was put in the "parking lot" at the last meeting. Planning staff is looking for direction on the boundaries. She asked everyone to this about which areas they are talking about. Staff displayed maps.

George Adams said he would like to understand the pros and cons of including the 125-acre General Dynamics property at Hayden and McDowell for which he is responsible. Rob Millar said Council must understand what area the recommendations apply to. After a brief discussion about the maps displayed, Jeremiah Foster suggested including Hayden Road along the lines of what they have already discussed through a scaled scenario under which some development could happen. Excluding Hayden Road would mean it was neither covered by Downtown nor by this Task Force, which would be a crime in his opinion, because it also suffers from the same challenges that exist along McDowell Road. This is an area in transition and he would like it to be mentioned in the report. The PUD is too cumbersome and expensive for this kind of project.

Tom Mason asked whether treating Hayden Road the same as Scottsdale Road in terms of connectivity would cause a problem. Jeremiah Foster said that this gives a context in which the conversation could happen related to what changes could be made along Hayden. Because Hayden is viewed as a commercial corridor, there might be no impetus to help the neighbors get across it. If these factors are considered in the same holistic conversation, perceptions might change.

Ed Gawf said on his drawing the boundaries are Papago Park to the west, 101 to the east, the City limits to the south, and Thomas or Osborn on the north. Jeremiah Foster's comments about Hayden Road could be accommodated by a bubble extension of the neighborhood services that he placed on McDowell Road. In his opinion, they do not need a formal boundary since they are not setting up a redevelopment district.

JEREMIAH FOSTER MOVED THAT THE BOUNDARIES BE PAPAGO PARK TO THE WEST, THE 101 FREEWAY TO THE EAST, THE CITY LIMITS TO THE SOUTH, AND OSBORN ROAD ON THE NORTH, WITH THE EXTENSION

Approved

**OF THE NEIGHBORHOOD SERVICES BUBBLE NORTH ON HAYDEN.
VIRGINIA KORTE SECONDED THE MOTION.**

Chairman Sadvary asked that the motion state that the emphasis is to be on the McDowell Road corridor. The Task Force does not have time to devote equal attention to areas such as Oak and Hayden. Ed Gawf said that should be a separate motion.

**THE MOTION CARRIED BY A UNANIMOUS VOTE OF FOURTEEN (14) TO
ZERO (0).**

In light of the anticipated announcement by Scottsdale Community College, Chairman Sadvary suggested that the zone between General Dynamics and Pima Road might be reclassified as educational. This will be an important asset, as apparently the college has long-term plans in that neighborhood.

Kit Weiss asked whether they wanted to include Ed Gawf's map with changes incorporated. Mr. Gawf clarified that his motion included his map with the changes mentioned and the other changes that Tom Mason mentioned. He also wanted to include the vacant land on the north side of McDowell at Pima Road, and the area between Pima Road and the 101. He stated that to him the term "employment core" includes educational.

Sonnie Kirtley noted that the land between Pima Road and the 101 is part of the Salt River Pima/Maricopa Indian Community. Ed Gawf said he is open to discussion on that. He feels the boundary really is the freeway, regardless of jurisdiction. Chairman Sadvary recalled the discussion last week about partnership with the Indian Community.

Virginia Korte thanked Sonnie Kirtley for the map she had shared. This shows how something that can be brought in in one day can usurp several days of work. Good things were brought forward in the last several sessions with the Acting City Manager, and the Task Force needs to incorporate that somehow. She feels that the process has been hijacked today. Chairman Sadvary commented that perhaps the maps need to be merged together, and added that there are many similarities between them. Ed Gawf stressed that his map was intended to reflect his thoughts. He explained that he took the earlier map and incorporated the elements with which he agreed. He summarized that philosophically the major difference was that he put more emphasis on Scottsdale Road as the transit opportunity corridor, more emphasis on a central node at McDowell and Scottsdale Road. He deleted the idea of putting development in the middle of McDowell west of Scottsdale Road, and he included the redesign of Galvin Parkway and McDowell, which the Task Force voted for.

Raising a point made earlier by Jeremiah Foster, Kit Weiss noted that the Task Force has made a recommendation for a hotel resort at 64th Street and McDowell, which Ed Gawf's map shows as high density residential. Mr. Gawf said he would be happy to include high density/mixed use in that location. Chairman Sadvary noted that Mr. Gawf's map does not show the employment development relationship on the east side that Dave Richert discussed at the

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previous meeting. Mr. Gawf reiterated that the boundary should go to the 101. Chairman Sadvary asked Ms. Korte if she had any specific suggestions. She responded that the realignment of Papago Park and keeping the live/work/play concept in southern Scottsdale is important to her, even though the Task Force has rejected annexation. Mr. Gawf said he does not agree with that, but since the Task Force voted for it today, the map should be modified to that effect. Sonnie Kirtley pointed out that Mr. Richert's map shows a split where McDowell Road is moved towards the residences. She would not include that, since only four Task Force members supported that concept. Ms. Weiss said that the ideas approved today should be incorporated into the map. Ms. Kirtley opined that a new map is needed. Chairman Sadvary said the new map should be attached to the draft narrative for review on January 28. Jay Petkunas requested that Mr. Gawf draft the new version of the map capturing today's discussion. Other Task Force members suggested that staff could also do that. Mr. Gawf undertook to give staff his map, announcing he will not be in attendance on January 28. Rob Millar confirmed that staff will modify the map for the meeting.

Todd Hardy clarified for the record that the Task Force recommendations are not intended to alter the height and zoning currently allowed at SkySong and General Dynamics, or to diminish the rights of any existing developments.

Chairman Sadvary suggested that the vision statement be included with the draft report. Kit Weiss read the vision statement, which was also developed with community members through the community area planning process. "Southern Scottsdale is a diverse, sustainable community built upon vibrant neighborhoods, thriving economic corridors, and innovative businesses."

Chairman Sadvary argued that the word "McDowell" needs to be included. Ed Gawf suggested that if they can replace "southern Scottsdale" with any neighborhood in Scottsdale and the sentence still works, the vision is not specific enough. The vision needs to be unique to the study area. Kit Weiss told them that staff will add "McDowell Road corridor/southern Scottsdale" to the vision statement. She outlined which groups identified the various value areas.

Wendy Lyons opined that the vision statement should restate some of the things talked about on the map. The Task Force has done a good job of stating what they are trying to accomplish. She suggested, "The McDowell corridor is a diverse, sustainable community and needs to be revitalized in this manner with an employment base and neighborhood revitalization and education."

Chairman Sadvary argued that should be in the values rather than the vision statement, which should be very brief. Wendy Lyons said she is suggesting that the vision statement should say what they want the area to become. Kit Weiss asked whether they wanted staff to add in the specifics and bring it back on January 28, or if they wanted to try to craft that right now. Ms. Lyons and Tom Mason said it was better for the Task Force to do it. Ed Gawf suggested that Ms. Lyons and Mr. Mason could work together on the vision statement. It should be brief and recognize the unique qualities of the area. Chairman Sadvary said he does not see that the list of values are in fact values. Values are behaviors; this list contains goals and objectives. In his opinion, they need to relabel the list.

Approved

Summarizing for staff, Ms. Weiss said she understands the Task Force would like to put together a broad statement of their recommendations. The list could perhaps be tools of how to get there. Jay Petkunas said they have a vision for the area and a mission for the City, to embrace regulatory flexibility, diversity of housing choices, et cetera. He said they are now trying to articulate the City's mission. Ms. Weiss said staff can do that and include it in the report on January 28. At that meeting, they can make sure that the value and mission statement are acceptable. Chairman Sadvary reminded everyone that much of this is a regurgitation of discussions at the last meeting.

Jeremiah Foster agreed with Mr. Gawf's comments. He felt that a mission statement as urged by Mr. Petkunas is more appropriate than a vision statement. He offered "McDowell corridor is the most exciting opportunity in the City of Scottsdale, supported by vibrant neighborhoods, striving to have thriving economic corridors, and desiring to have innovative businesses." He concluded that somehow they need more action and teeth.

Kit Weiss summarized that staff will send the mission statement out to Task Force members by January 21 for review and feedback. Staff will work from Jeremiah Foster's suggestions. Hopefully on January 28 this can be finalized when they discuss the report.

Chairman Sadvary confirmed that since Ed Gawf and Sonnie Kirtley will not attend the meeting on January 28, they have to get their input prior to that meeting. He stressed that this report is the culmination of six months of work and they want to present it to City Council as one body. He wants to make sure that every Task Force member has an opportunity to weigh in. Rob Millar told him that staff's goal is to have the draft ready around January 24. Chairman Sadvary asked Mr. Gawf and Ms. Kirtley whether they would be able to receive email and provide input before January 28. Mr. Gawf asked if they could receive the draft report and map by January 21. Mr. Millar said staff will try, although he could not commit to that. Chairman Sadvary said it is important to have input from the whole Task Force. He directed Mr. Millar to confirm that Michael Fernandez will attend the January 28 meeting. Mr. Millar said crafting vision statements is very subjective and sensitive. Staff tried their best to take the specific statements of the Task Force at the last meeting. He encouraged the Task Force to work with staff so that the statement will reflect their ideas. Chairman Sadvary asked for volunteers and Jeremiah Foster, Tom Mason, and Wendy Lyons agreed to work with Mr. Millar. Chairman Sadvary remarked that hopefully the narrative will go smoothly after today's productive discussion. He asked whether Mr. Millar could circulate the redraft of the vision and objectives after meeting with the volunteers so that other Task Force members can provide their feedback before the January 28 meeting.

3. Staff and Task Force Updates
4. Public Comment

No members of the public wished to address the Task Force.

Approved

5. Identification of Future Items

Chairman Sadvary reminded everyone that the next meeting is on January 28 at 5:30 p.m.

Adjournment

With no further business to discuss being duly moved and seconded, the meeting adjourned at approximately 11:17 a.m.

Respectfully submitted,
A/V Tronics, Inc. DBA AVTranz

Approved